



# Affordable Housing Bond Program Overview

City Council Housing and Planning Committee  
August 2017

*Presentation by:*  
Neighborhood Housing and Community Development Department



# Presentation Highlights

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- ▶ Definitions
- ▶ Overview of Affordable Housing Bond Program
- ▶ Funding Needs & Investment
- ▶ 2018 Bond Development

# What is Affordable Housing?

Affordable Housing:

Housing in which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs and no more than 45 percent of his or her income including transportation.

*Definition from the U.S. Department of Housing and Urban Development (HUD)*



Imagine Austin Household Affordability (Priority Program #6):

Household affordability is about the costs of housing, utilities, taxes and transportation.

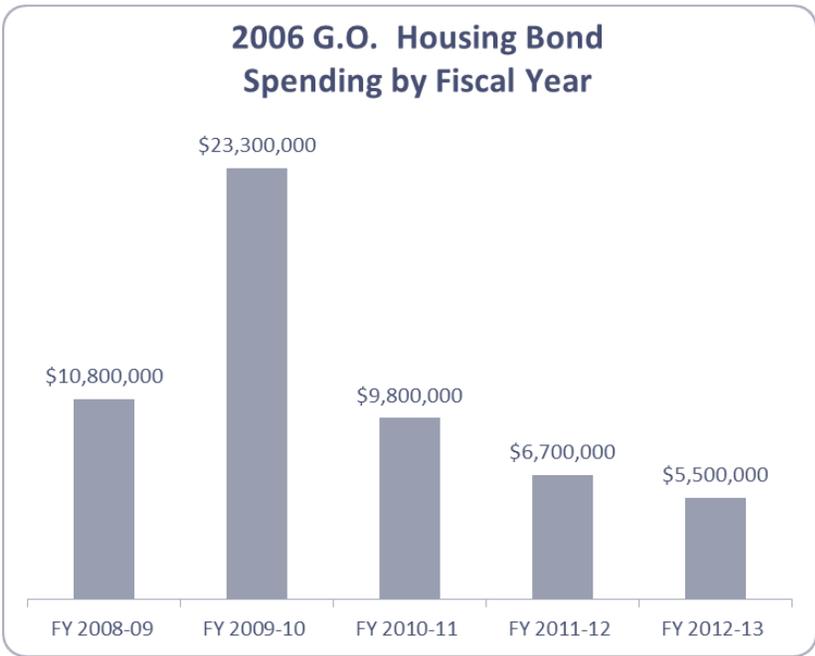
*Definition from Imagine Austin Comprehensive Plan*

Median Family Income	1 Person Household	4 Person Household	Affordable Monthly Rent
30%	\$16,350	\$24,300	\$408-\$607
50%	\$27,250	\$38,900	\$681-\$972
80%	\$43,600	\$62,250	\$1,090-\$1,556

*Per HUD as of March 2016 for the Austin-Round Rock Metropolitan Statistical Area (MSA)*



# 2006 Bond Proposition Highlights



Rental	Amount	Units
Very Low Income Persons/ Families	\$21.5	869
Workforce/ Family Housing	\$11.2	529
Persons with Mental Disabilities	\$3.3	61
Senior Housing	\$3.0	108
Children	\$1.9	42
Mobility Disability	\$0.8	70
<i>Subtotal: Rental</i>	<i>\$41.7</i>	<i>1,679</i>
Homeownership	Amount	Units
\$4.6M – Repairs; \$8.7M – Buyers	\$13.3	914
<i>Subtotal: Affordable Units</i>	<i>\$55.0</i>	<i>2,593</i>
<b>TOTAL – All Units</b>		<b>3,417</b>
Balance Remaining from \$55.0M	\$0.0	

# 2013 Affordable Housing General Obligation Bond Language

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- ▶ **2013 Bond Language:** The issuance of \$65,000,000 affordable housing bonds and notes for constructing, renovating, improving, and equipping affordable housing for low- income persons and families; acquiring land and interests in land and property necessary to do so; and funding affordable housing programs as may be permitted by law; and the levy of a tax sufficient to pay for the bonds and notes.
- ▶ **Further Description:** If approved, this proposition would allow the City to partner with organizations to utilize funds for affordable rental and ownership housing and preservation of existing affordable housing. Eligibility for the programs and assistance that would be funded by this proposition, if approved, is based on income. Depending on the program and the needs of the household, an Austin family of four earning \$58,550 or less annually in 2013 could qualify for funding. Funding is also anticipated to support very low income households earning \$36,600 or less annually in 2013 for a family of four.

# 2013 Affordable Housing Bond Program

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- ▶ November 5, 2013, Austin voters approved \$65M in bond funding for affordable housing Proposition.
- ▶ Three main investment areas:
  1. Rental Housing Development Assistance
  2. Home Ownership Programs
  3. Home Repair Programs
- ▶ 2013 Bond Program based on 6 year assumption (2013-2019)

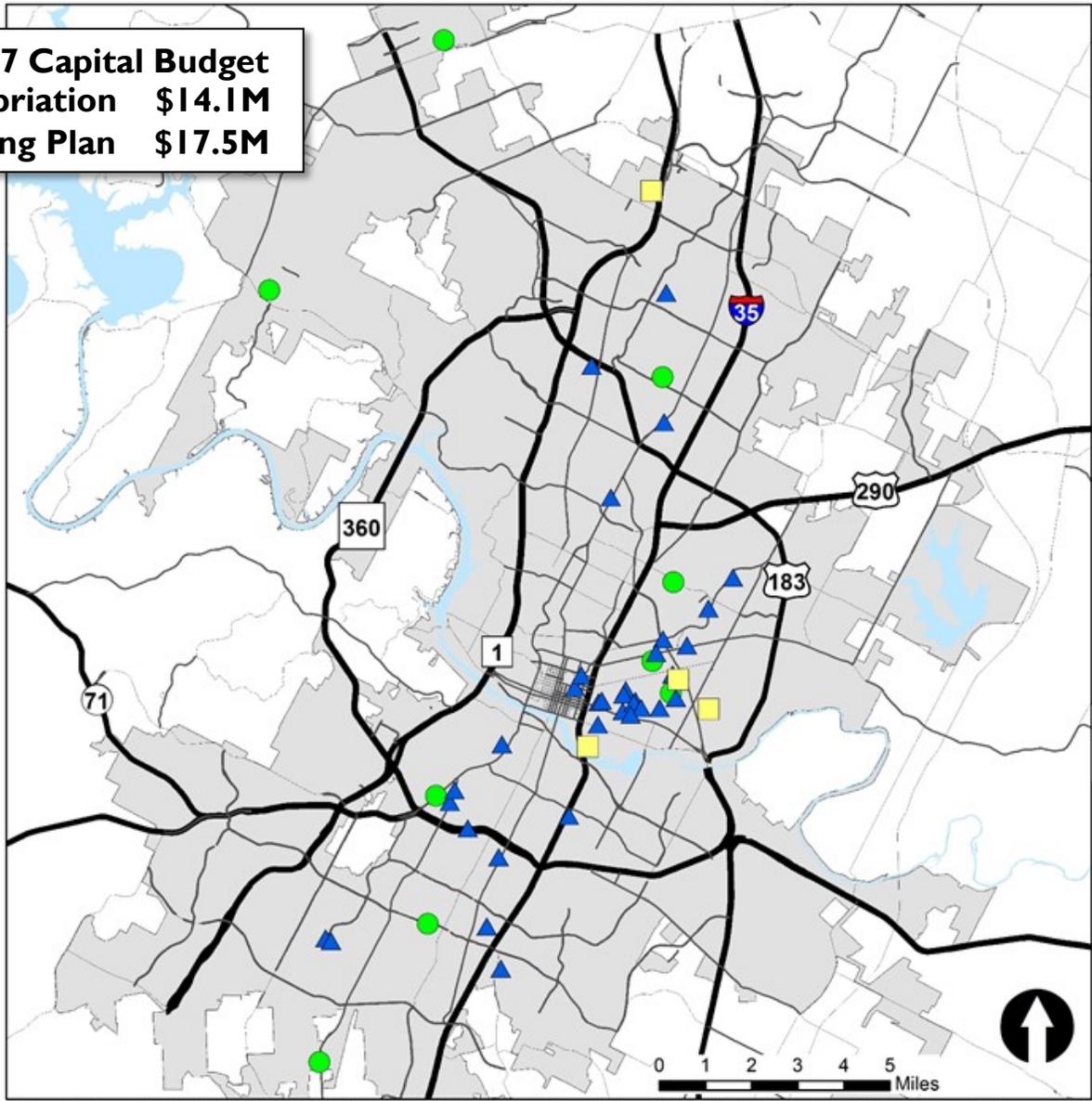
# 2013 Spending Plan

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- ▶ January 23, 2014, Council approved a Capital Budget Amendment to appropriate \$15M to begin implementation in FY13-14.
- ▶ Appropriation of \$10M/year from FY2015-FY2019
- ▶ Populations served through the Bond Program include:
  - ▶ Veterans
  - ▶ Seniors
  - ▶ Chronically Homeless
  - ▶ Families with Children
  - ▶ Persons with Disabilities

# Overview of Bond Funded Developments

**FY 2017 Capital Budget**  
Appropriation \$14.1M  
Spending Plan \$17.5M



## G.O. Bond Developments

- 2006 Bond Funded Developments
- 2013 Bond Funded Developments
- 2013 Bond Funded Developments Approved in 2017



Map created by Neighborhood Housing and Community Development | City of Austin

# 2013 Affordable Housing Bond Overview

Project Name	2013 G.O. Bond Funding Amount (millions)	Leveraged Amount (millions)	Total Project Cost (millions)	G.O. Amount Per Unit	Afford. Period (years)	Total Units	<=50% MFI Units
Cross Creek Apartments	\$2.0	\$19.9	\$21.8	\$15 K	40	200	130
Housing First Oak Springs	\$3.0	\$9.6	\$12.6	\$60 K	40	50	50
Live Oak Trails	\$1.8	\$13.2	\$15.0	\$30 K	40	58	58
Bluebonnet Studios	\$3.7	\$16.6	\$20.3	\$35 K	40	107	107
Lakeline Station	\$3.0	\$23.5	\$26.5	\$39 K	40	128	77
Cardinal Point Apartments	\$2.6	\$17.4	\$20.0	\$36 K	40	120	72
Jeremiah Housing	\$2.0	\$7.3	\$9.3	\$57 K	99	35	35
The Rail at MLK Jr. Station	\$2.5	\$30.0	\$32.5	\$43 K	40	225	58
Aldrich 51 Apartments	\$2.0	\$33.7	\$35.7	\$32 K	40	240	63
Garden Terrace Phase 3	\$1.2	\$1.5	\$2.7	\$60 K	40	20	20
LaMadrid Apartments	\$3.3	\$17.1	\$20.4	\$77 K	40	95	43
The Chicon	\$1.0	\$11.7	\$12.7	\$23 K	∞	43	0
Govalle Terrace	\$1.2	\$14.8	\$16.0	\$12 K	30	97	35
RBJ Rehab & New Construction	\$3.0	\$76.6	\$79.6	\$6 K	40	501	270
Elysium	\$2.1	\$24.0	\$26.1	\$25 K	30	85	36
<b>Total Funded/Approved to date</b>	<b>\$35.2</b>	<b>\$316.4</b>	<b>\$351.6</b>	<b>\$17.5 K*</b>		<b>2,004</b>	<b>1,054</b>
<b>Total Bond Funds</b>	<b>\$65.0</b>						
<b>Remaining Bond Funds</b>	<b>\$29.8</b>						
				<b>*Total GO Bonds ÷ Total Units</b>			

# 2013 Housing Bond Program



Bluebonnet  
Studios  
S. Lamar Blvd.



Jeremiah Housing  
Moody Campus



Lakeline Station  
Apartments  
Rutledge Spur

# 2013 Housing Bond Program

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## **First Ever Housing-First Development for the Chronically Homeless: Austin Travis County Integral Care Permanent Supportive Housing facility**

- Supports the City Council goal to create 400 Permanent Supportive Housing (PSH) units over the next four years to house people experiencing homelessness.
- Social services funding will be committed at a later date through a Health and Human Services Department social services contract.

# Austin Strategic Housing Blueprint



# Community Values

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- ▶ Prevent Households From Being Priced Out of Austin
- ▶ Foster Equitable Communities
- ▶ Invest in Housing for Those Most in Need
- ▶ Create New and Affordable Housing Choices for All Austinites in All Parts of Austin
- ▶ Help Austinites Reduce their Household Costs



Wildflower Terrace  
2006 GO Bond Affordable Housing - Mueller

# Cost of the Affordable Rental Housing Gap

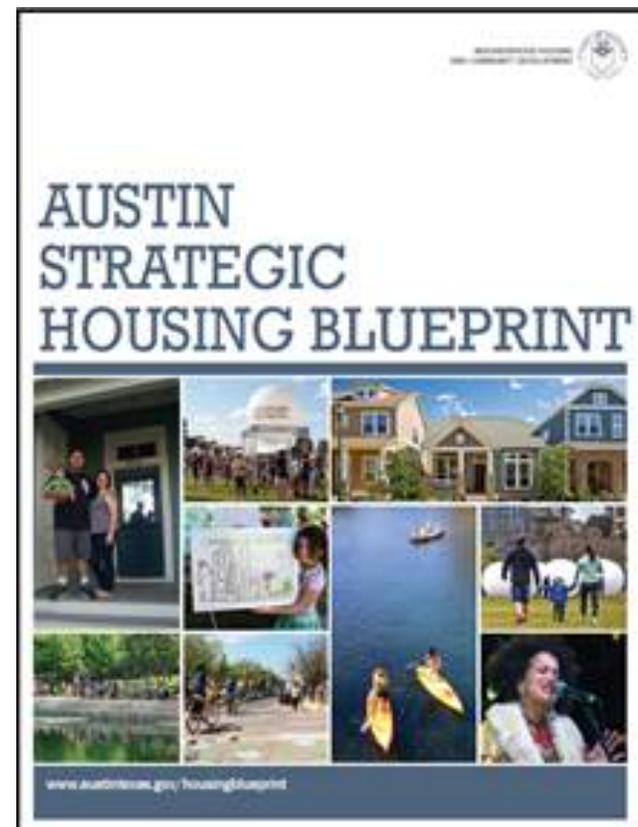


- Cost of closing Austin's Affordable Housing Gap Today  $\approx$  \$6.48 Billion for 48,000 unit gap



- Cost of closing Austin's Affordable Housing Gap 2025  $\approx$  \$11.18 Billion

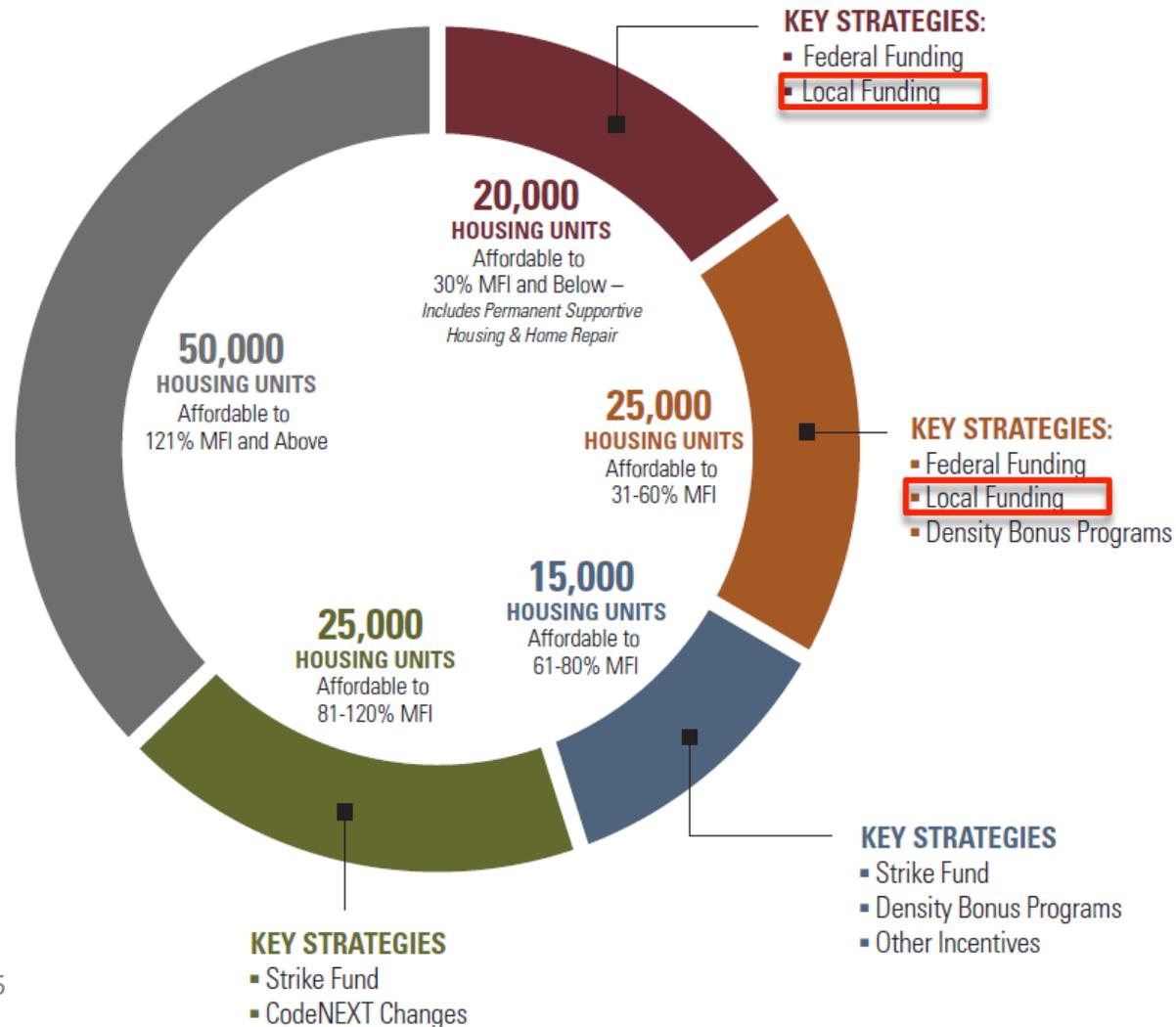
- *Calculation: \$135,000 (estimated construction cost) x 48,000 units = \$6.48 billion.*
- *Calculation: \$164,430 (estimated construction costs in 2015 dollars) x 68,000 units (continued rate of increase from 2008 through 2014) = \$11.18 billion.*
- *Does not include land costs.*



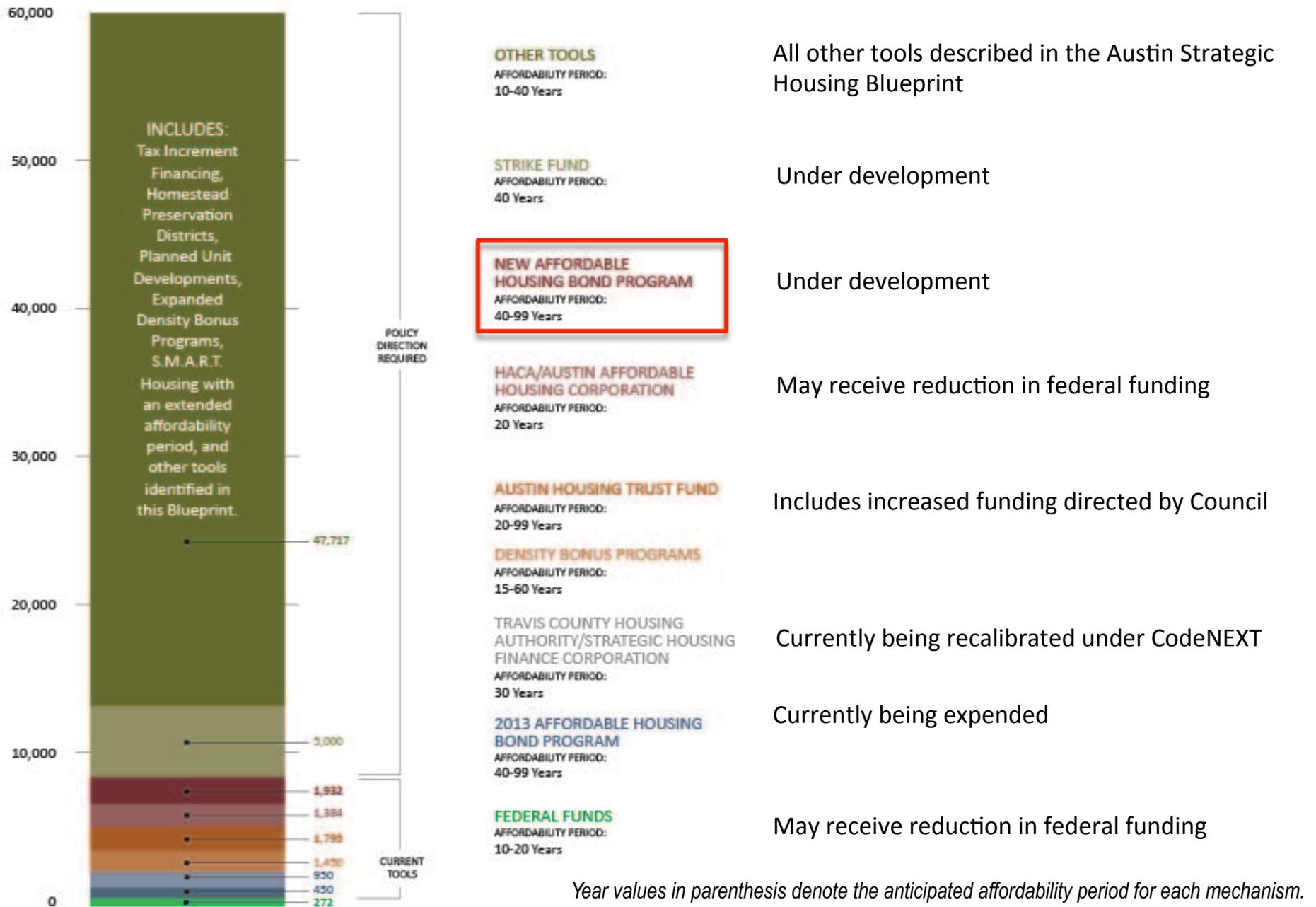
# Proposed 10-Year Community Housing Goals

135,000 Housing Units in 10 Years:

60,000 at 80% MFI and below; and 75,000 at 80% MFI and above



# Achieving 60,000 Affordable Units in 10 Years



# Affordable Housing Goals

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- ▶ **Prioritized Preservation:** Preserve 10,000 affordable housing units over 10 years
- ▶ **Permanent Supportive Housing:** Produce 50 Permanent Supportive Housing (PSH) units each year through 2018, with half of those units (25) being Housing First
- ▶ **Each City Council District should contain:**
  - ▶ **Establish a 10% rental housing goal:** At least 10% of rental housing units that are affordable to households earning at or below 30% Median Family Income (MFI) (\$24,300 or less for a 4 person household in 2016); and,
  - ▶ **Establish a 25% ownership housing goal:** At least 25% of ownership housing units that are affordable to households earning at or below 120% Median Family Income (MFI) (\$93,360 or less for a 4 person household in 2016)

# 2018 Bond Development

## Affordable Housing: *\$85 million*

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- Home Ownership Program: \$18 million
- Rental Housing Development Assistance: \$39 million
- Home Repair Program: \$18 million
- Land Acquisition: \$10 million



# How to Leverage Outcomes With Additional Resources



Link Resources to 2016 \$720M Mobility Bond



Align Resources Around Homelessness Needs



Land Acquisition for Affordable Housing



Hold Steady Funding for Current Programs and Services



# More information

[www.austintexas.gov/housing](http://www.austintexas.gov/housing)

***Austin Notes:***

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***Contact:***

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